Loan for Higher Education

551. SHRI RADHA MOHAN SINGH : Will the Minister of FINANCE be pleased to state:

(a) whether some nationalised banks have provided loans to students for higher studies in India or abroad;

(b) if so, the details and conditions governing such loans; and

(c) the details of loans granted for the purpose during each of the last three years, bank-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) to (c) The Reserve Bank of India has reported that nationalised banks have formulated schemes to provide educational loans to needy students for higher studies in and outside India. While banks have different norms, generally no margin money is required for such loans upto Rs. 25,000/- while for loans over Rs. 25,000/-, margin money ranging from 15–25% may be required to be paid. Further, banks generally stipulate repayment by monthly installments commencing one year after completion of the course or one month after taking up employment by the student, whichever is earlier.

The rates of interest on loans at present are as under:—

Loan upto Rs. 25,000/-	12% per annum.
Loan above Rs. 25,000/- and Upto Rs. 2,00,000/-	not exceeding 13.5% per annum.
For Loan above Rs. 2,00,000/-	Banks are free to determine the rates of interest.

While educational loans are granted on clean basis, guarantee/collateral security is taken on the merits of each case.

A Statement indicating details of figures of outstanding of education loans for the period ended March, 1994, March, 1995 and March 1996 by nationalised banks (latest available), as provided by RBI is enclosed.

Statement

Outstanding loans given to Education by Nationalised Banks in the period ended March 1994, March 1995 and March 1996

S. No.	Name of Bank	March, 1994		March, 1995		March, 1996 (Provisional)	
		No. of A/cs.	Amount Outstanding	No. of A/cs.	Amount Outstanding	No of A/cs	Amount Outstanding
1	2	3	4	5	6	7	8
1.	Allahabad Bank	117	34362	106	6495	101	7188
2.	Andhra Bank	906	63040	725	51435	887	55100
3.	Bank of Baroda	3531	117213	3157	126000	3329	83760
4.	Bank of India	3573	86057	3915	96086	8940	112862
5.	Bank of Maharashtra	641	12630	1056	26346	1077	21756
6.	Canara Bank	21692	549407	22996	651571	25498	857763
7.	Central Bank of India	2697	25232	2694	31534	3257	71911
8.	Corporation Bank	596	12885	708	17233	676	81238
9.	Dena Bank	1020	11028	1005	14382	922	15544

1	2	3	4	5	6	7	8
10.	Indian Bank	360	5820	531	34310	1167	71616
11.	Indian Overseas Bank	1051	16080	1221	36533	1169	30163
12.	Oriental Bank of Commerce	88	3108	83	3190	204	4491
13.	Punjab National Bank	769	20915	763	20273	586	25489
14.	Punjab & Sind Bank	51	727	27	1710	27	1645
15.	Syndicate Bank	8186	129098	7573	125018	6313	110945
16.	United Bank of India	819	8825	734	9008	703	9526
17.	Union Bank of India	990	21960	1073	30337	1221	45848
18.	UCO. Bank	461	10950	687	9576	687	9576
19.	Vijaya Bank	835	12180	892	21608	946	33554
	Total	48563	1141525	49951	1313056	52860	1586955

Banking Services for North-East

552. SHRI BIJOY HANDIQUE : Will the Minister of FINANCE be pleased to state:

(a) whether adequate financial support has been provided to the North-Eastern Development Financial Institution, established in 1995 at Guwahati for promoting banking services for the people of the North-East;

(b) whether any assessment has been made to ascertain the realistic needs of the institution;

(c) if so, whether any proposals from the Government of Assam and other States of the North-East have been submitted seeking more funds; and

(d) if so, whether any private initiatives have been encouraged to augment promotion of banking service in the region?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) to (d) The information is being collected and will be laid on the Table of the House to the extent available.

Trade with Burma

553. SHRI GEORGE FERNANDES : Will the Minister of Commerce be pleased to state:

(a) the assurances given by the Government to the businessmen and traders in March in Manipur while opening the border for trade with Burma in 1995;

(b) which of these have been fulfilled; and

(c) the reasons for non fulfilment of their promisses?

THE MINISTER OF STATE OF MINISTRY OF COMMERCE (DR BOLLA BULLI RAMAIAH) : (a) and (b) The Government had indicated during the opening of the border trade with Myanmar through Moreh—Tamu route in April, 1995 that certain facilities to traders visiting Myanmar would be extended in the form of carrying foreign exchange, infrastructure facilities would be improved and import of rice from Myanmar would be permitted. In pursuance of the same, Government have allowed to the traders visiting Myanmar carrying of foreign exchange upto US $ 350 for 7 days. Infrastructural facilities including development of roads, banking, customs, immigration facilities etc., have also been provided. 22 tradable items have been identified for border trade with Myanmar and import of limited quantities of rice from Myanmar has also been permitted.

(c) Does not arise.